



NEWSBREAK

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What's New?

New CECR Website Resources

The Center for Educator Compensation Reform (CECR) is pleased to announce the addition of several new Web-based resources. These resources include case summaries documenting educator compensation reform initiatives in Texas and Palm Beach County, Florida, as well as a “how-to” guide focused on communications and stakeholder engagement.

The two case summaries are the first in a series intended to describe the design and implementation of educator compensation reform efforts at the state and district levels and to highlight lessons learned for policymakers and practitioners. Data for each case summary were collected using publicly available documents as well as background conversations with key stakeholders. [*Texas State-Level Pay-for-Performance Programs: Overview and Discussion*](#)

provides an example of how a large state implements a state-level framework for locally driven pay-for-performance programs. [*The Palm Beach County School District Story: An Innovative Approach to Restructuring Principal Pay*](#) documents the design and implementation of an alternative principal compensation structure and its ongoing evolution.

Another new resource titled [*Stakeholder Engagement and Communication*](#) provides a step-by-step guide to help reformers establish a strong foundation for engaging teachers and others in the development and implementation of a new compensation system and to communicate effectively with educators and the public. The guide offers a range of strategies for launching an alternative compensation effort, using experiences from states and districts that have already developed and implemented their own programs, and provides a sample communication plan.

Hot Off the Press

[Bloomberg Unveils Performance Pay for Teachers](#)—*The New York Times*, October 17, 2007

New York City and teachers agree on a performance pay program that will offer incentives of up to \$3,000 per year to teachers.

[Luna's Teacher Pay Plan Gains Favor](#)—*Times-News*, October 17, 2007

State superintendent introduces a performance pay program that would offer bonuses of up to \$15,600 per year to teachers.

[State Awards Grants for Studying New Teacher Pay Plans](#)—*Radio Iowa*, October 17, 2007

Three Iowa school districts awarded state grants to explore teacher performance pay programs.

[Oklahoma Teachers Asked for Input on Merit Pay Idea](#)—*The Norman Transcript*, October 6, 2007

Oklahoma teachers are asked to participate in the process of developing a teacher performance pay plan by completing an online survey.

[The Future of Teacher Compensation: Déjà Vu or Something New?](#)—*Center for American Progress*, November 2007

This report examines existing approaches to alternative teacher compensation and identifies “good and bad” examples of alternative compensation.

[Current State Policies That Reform Teacher Pay: An Examination of Pay-for-Performance Programs in Eight States](#)—*Center for American Progress*, November 2007

This report reviews teacher compensation policies in Alaska, Arizona, Florida, Minnesota, North Carolina, Ohio, South Carolina, and Texas.

Grantee Spotlight: Denver Public Schools

Denver Public Schools (DPS) recently received a TIF grant to expand its alternative teacher compensation system known as Professional Compensation for Teachers (ProComp). ProComp rewards teachers for acquiring and demonstrating new knowledge and skills, receiving satisfactory teacher evaluations, teaching in hard-to-staff positions, and improving student achievement (Denver Public Schools, 2007b). The TIF grant builds on the initial success of ProComp in two ways:

- The district is piloting a performance-based compensation system for school administrators. The compensation system offers administrators additional pay for meeting school performance objectives and working in a high-poverty or low-performing school. In addition, DPS plans to partner with New Leaders for New Schools to provide bonuses for principals in high-performing schools that document and share their effective practices.

- DPS is using its TIF grant to improve the professional development, student assessment, and information systems that support ProComp. The district is planning several enhancements to ProComp, including new professional development opportunities for teachers and principals as well as the creation of new student assessments.

What need is the project trying to address?

Compensation reform in DPS—including ProComp and its expansion under the TIF grant—is designed to address the challenges of low student achievement and high teacher turnover. The district has struggled to raise student achievement in recent years. In the 2005–06 school year, only 17 percent of ninth graders scored at the proficient or advanced level in mathematics, and 35 percent scored proficient or better in reading (Denver Public Schools, 2007a). The proportion of third graders performing at or above proficiency in reading has declined slightly during the last few years, with just over half of third graders at or above proficiency.

High turnover rates in the district led to the hiring of more than 800 teachers and 60 principals in the 2006–07 school year (Colorado Department of Education, 2007). The district lost more than 20 percent of its principals and had a teacher turnover rate of 19 percent. Although the district has a fairly equitable distribution of highly qualified teachers, 14 percent of classes in high-poverty schools are taught by teachers who do not meet the highly qualified teacher requirements under No Child Left Behind.

What are the goals of the project?

The primary goals of the DPS TIF grant are to improve student achievement, increase the effectiveness of teachers and principals, and attract principals to high-needs schools. The TIF grant supports these goals by rewarding principals who improve student achievement, enhancing professional development for both principals and teachers, expanding information management systems, and sharing information on effective practices. To attract principals to high-needs schools, the compensation plan offers incentives for principals who work in high-poverty and low-performing schools.

How much are the incentives?

As noted in their proposal, DPS is using its TIF grant to reward principals and assistant principals for the following:

- **Sharing effective practices.** Principals in high-performing or improving schools are eligible to receive up to \$30,000 for documenting and sharing their effective practices and assistant principals can earn up to \$20,000. Denver plans to partner with New Leaders for New Schools to identify and document the practices of principals in schools that have high or improved student achievement. The practices will be shared with schools in DPS and across the country through an online platform developed by New Leaders for New Schools. Principals who share their effective practices are eligible to receive additional awards if their practices are used and rated highly by other practitioners. A principal whose practices receive positive feedback from a large number of educators can earn an award of \$1,500 or \$2,250.

- **Meeting school performance objectives.** Each year, principals and assistant principals create two measurable objectives based on student achievement that are specifically related to the needs of their school. Principals who meet their school performance objectives earn a bonus of \$1,000, and assistant principals who meet their objectives earn a \$750 bonus.
- **Leading high-poverty and low-performing schools.** Principals in high-poverty schools, with at least 30 percent of students eligible for free or reduced-price lunch, earn a bonus of \$5,000 each year, and assistant principals earn a \$3,750 bonus. Principals that lead low-performing schools also receive a bonus of \$5,000 each year, and assistant principals in these schools receive \$3,750.

What are the strengths of the project?

Similar to ProComp, the principal compensation system provides multiple ways for principals to increase their pay. The DPS TIF grant rewards principals for increasing student achievement, teaching in hard-to-staff positions, and sharing effective practices. The district also utilizes a unique approach to measuring student performance in which principals design performance objectives that are based on student achievement. This approach links principal pay to student performance while allowing principals to develop objectives focused on the needs of their school.

The DPS TIF grant benefits from the existing infrastructure developed for ProComp. For example, the district relies on continuous teacher feedback to refine and adapt its teacher compensation system. DPS continuously evaluates ProComp by examining student achievement, teacher recruitment and retention, and the quality of professional development. In addition, ProComp uses a Web-based data system, the Online Assessment Scores Information System (OASIS), which provides teachers and principals access to student assessment data. Currently, OASIS allows principals and teachers to view assessment results at the student, classroom, and school levels and includes longitudinal data to track changes over time (Denver Public Schools, 2006).

DPS has leveraged TIF grant funding with local funding to develop a sustainable compensation system. In November 2005, the citizens of Denver approved a permanent tax increase to fund ProComp, resulting in \$25 million (inflation adjusted) annual program funding. The TIF grant supplements this local funding to implement the principal compensation system and complete the infrastructure needed to support ProComp. When the TIF grant ends, DPS will assume full responsibility for funding the professional compensation system for principals.

What are the challenges?

The early implementation of ProComp revealed several challenges that are relevant to the TIF grant. One big challenge is that the district does not have standardized testing for some areas such as special education and the arts. Through ProComp and the TIF grant, DPS provides professional development for teachers in these areas to help them determine a strategy for assessing student growth. Another challenge for DPS is making sure that teachers and principals are aware of program participation requirements and that eligibility is easily understood by the district's educators. DPS invests heavily in promotional efforts to ensure the program is clearly

communicated to teachers and principals. Data management is another area ripe for improvement, as DPS places a priority on teacher and principal use of student achievement data. The district invests significantly in professional development so that teachers and principals can successfully use student achievement data to make instructional decisions. Moreover, TIF grant funds are used to develop mid- and end-of-course assessments for several high school subjects so that teachers who are responsible for teaching these subjects have a fair and accurate measure of student progress.

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The Center for Educator Compensation Reform (CECR) was awarded to Westat—in partnership with Learning Point Associates, Synergy Enterprises Inc., Vanderbilt University, and the University of Wisconsin—by the U.S. Department of Education in October 2006.

The primary purpose of CECR is to support the Teacher Incentive Fund (TIF) grantees with their implementation efforts through the provision of ongoing technical assistance and the development and dissemination of timely resources. CECR also is charged with raising national awareness of alternative and effective strategies for educator compensation through this newsletter, a Web-based clearinghouse, and other outreach activities. We look forward to an exciting partnership with the TIF grantees as we embark together on blazing a new path for education reform.

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